

THE FOLLOWING DOCUMENTS
ARE ATTACHED:
(Please do not remove)

ER 0545X/2 88
PAO 0137 88
ER 0545X/3 88

SUBJECT:

~~TOP SECRET~~

TOP SECRET

UNCLASSIFIED when blank - TOP SECRET when attached to Top Secret Document - When detached from document regrade cover sheet as appropriate. Attach to each CIA and Non-CIA collateral Top Secret document maintained by CIA.

CONTROL AND COVER SHEET FOR TOP SECRET DOCUMENT (COLLATERAL)

CIA TOP SECRET CONTROL NUMBER			CIA COPY/SERIES NUMBER		DOCUMENT DATE (YYMMDD)
Office <u>TS</u> Number _____ Year _____			Copy _____ Series _____		
NON-CIA DOCUMENT RECEIPT DATE (YYMMDD)		COLLATERAL TS ATTACHMENT(S)—Control Numbers			LOGGED BY:
SUBJECT/TITLE:					
CIA ORIGINATOR (Directorate, Office, Division, Branch)			NON-CIA ORIGINATOR (Dept, Agency) Control No., Copy No.		
ATTENTION: Access to the attached document is restricted to only authorized recipients or Top Secret control personnel. For accountability purposes, all designated individuals are to sign and date this form.					
REFERRED TO	SEEN BY		REFERRED TO	SEEN BY	
OFFICE	SIGNATURE	DATE	OFFICE	SIGNATURE	DATE
Remove this sheet upon completion of any action noted below, classify form, and forward to the CIA Top Secret Control Officer.					
DOWNGRADED		DESTROYED		DISPATCHED TO (Non-CIA Agency)	
TO		BY (Signature)		TO	
BY (Signature)		WITNESSED BY (Signature)		BY (Signature)	
DIRECTORATE & OFFICE		DIRECTORATE & OFFICE		DIRECTORATE & OFFICE	
DATE		DATE		DATE	

~~TOP SECRET~~

(40)

Page Denied

Next 4 Page(s) In Document Denied

THE UNITED STATES. THIS SHIFT WOULD AFFECT US LEADERSHIP IN BROAD AREAS OF POLITICS, ECONOMICS, AND DEFENSE AND COULD INCREASE US SECURITY VULNERABILITIES AS FOREIGN ACQUISITION OF US ASSETS RISES RAPIDLY AND PRODUCTION AND FINANCE BECOME INCREASINGLY INTERNATIONALIZED. BY THE TURN OF THE CENTURY, IT IS LIKELY THAT EAST ASIA WILL HAVE BECOME THE WORLD'S LARGEST CREDITOR AND TECHNOLOGICAL LEADER, AND ITS COMBINED ECONOMIC OUTPUT WILL HAVE SURPASSED THAT OF THE UNITED STATES.

DEVELOPMENTS IN THE SOVIET UNION

LET ME NOW TURN TO DEVELOPMENTS IN THE SOVIET UNION, SO ELOQUENTLY NOTED BY JOHN MCMAHON. WHATEVER MYRIAD OTHER PROBLEMS WILL FACE US, THE SOVIET UNION WILL REMAIN OUR PRINCIPAL CHALLENGE, ESPECIALLY AS IT ENDEAVORS TO REFORM AND MODERNIZE IN AN EFFORT TO SUSTAIN ITS SUPERPOWER ROLE.

THERE IS STRONG SUPPORT IN THE POLITBURO FOR MODERNIZATION OF THE SOVIET ECONOMY. EVEN SO, NEARLY EVERY STEP GORBACHEV SEEKS TO TAKE TOWARD STRUCTURAL ECONOMIC OR POLITICAL CHANGE IS A STRUGGLE, AND SUPPORT IN THE POLITBURO FOR HIS INITIATIVES SHIFTS CONSTANTLY.

BELOW THE POLITBURO, SUPPORT FOR CHANGE -- AND ESPECIALLY FAR-REACHING CHANGE -- IS EVEN SHAKIER. OPPOSITION FROM THE PARTY CENTRAL COMMITTEE AND PARTY APPARATUS IS A CRITICAL

PROBLEM FOR GORBACHEV. SENIOR LEVELS OF THE ECONOMIC BUREAUCRACY STAND TO LOSE THE MOST IF GORBACHEV MOVES TO DECENTRALIZE THE SYSTEM AND ARE IMPORTANT OBSTACLES TO IMPLEMENTATION OF HIS PROGRAM. WHILE MANY SENIOR OFFICIALS OF THE NATIONAL SECURITY BUREAUCRACIES UNDERSTAND THE CONNECTION BETWEEN A STRONG DEFENSE AND A HEALTHY ECONOMY, THEY ALSO ARE UNHAPPY WITH THE IDEA OF GREATER CONSTRAINTS ON DEFENSE SPENDING AND SKEPTICAL OF PROMISED BENEFITS. OTHERS, FOR EXAMPLE THE KGB, ARE CONCERNED ABOUT THE POTENTIAL FOR INSTABILITY AT HOME -- AS IN ARMENIA AND AZERBAIJAN -- AND IN EASTERN EUROPE CREATED BY ANY RELAXATION OF POLITICAL CONTROLS. THE SOVIET POPULATION SEEMS TO BE PASSIVELY SUPPORTIVE, BUT THEY HAVE SEEN CAMPAIGNS FOR CHANGE COME AND GO. THEY ARE SKEPTICAL THAT GORBACHEV'S EFFORTS WILL PRODUCE LASTING RESULTS OR EVEN IMMEDIATE PAYOFFS. THE INTELLIGENTSIA ARE PROBABLY THE ONLY GROUP THAT COMES CLOSE TO GIVING WHOLE-HEARTED SUPPORT.

IN SUM, GORBACHEV STILL VIGOROUSLY SUPPORTS RESTRUCTURING, HAS MADE SOME HEADWAY IN OBTAINING POLITBURO SUPPORT, BUT FACES A LARGELY HOSTILE PARTY AND STATE BUREAUCRACY AND A CONSERVATIVE AND APATHETIC POPULATION. EVERY RUSSIAN AND SOVIET LEADER FROM PETER THE GREAT TO THE PRESENT SEEKING CHANGE OR MODERNIZATION HAS FACED FORMIDABLE OPPOSITION. BUT, UNLIKE THEM, GORBACHEV REALISTICALLY CANNOT RESORT TO WIDE-SCALE TERROR AND VIOLENCE TO ELIMINATE THOSE WHO STAND IN

HIS WAY. HE MUST REPLY ON A LONG TERM, LARGELY NON-VIOLENT PURGE OF PARTY AND BUREAUCRACY AND PLACEMENT OF HIS SUPPORTERS IF HE IS TO REMAIN IN POWER AND TO SUCCEED AT ALL. THE CENTRAL QUESTION IS WHETHER HE WILL GET ENOUGH TIME.

TAKEN AS A WHOLE, THE REFORM MEASURES PUT IN PLACE IN GORBACHEV'S TWO AND A HALF YEAR TENURE ARE AN IMPRESSIVE PACKAGE THAT IN SCOPE AND SPECIFICITY GOES WELL BEYOND THE SO-CALLED KOSYGIN REFORMS ADOPTED IN 1965. NEVERTHELESS, BECAUSE OF INTERNAL CONTRADICTIONS AND THE RETENTION OF SO MANY ELEMENTS OF THE PRESENT SYSTEM, THE REFORMS HAVE YET TO BE IMPLEMENTED. AND EVEN IN THE UNLIKELY EVENT THEY ARE FULLY IN PLACE IN 1991 AS INTENDED, THEY WILL NOT CREATE THE DYNAMIC ECONOMIC MECHANISM THAT GORBACHEV SEEKS AS THE MEANS TO REDUCE OR CLOSE THE TECHNOLOGICAL GAP WITH THE WEST. INSTEAD, THEY SPELL TROUBLE FOR HIS ECONOMIC PROGRAM GENERALLY. INDEED, AGGRESSIVE IMPLEMENTATION OF REFORMS IS CAUSING SERIOUS DISRUPTIONS AND TURBULENCE IN THE ECONOMY AND WILL CAUSE MORE AS THE BUREAUCRATIC FACTIONS ATTEMPT TO ADJUST TO THE MANY CHANGES BEING IMPOSED FROM ABOVE. SPECIFICALLY:

-- GORBACHEV'S QUALITY CONTROL PROGRAM IS DISRUPTING PRODUCTION.

Page Denied

GORBACHEV'S PLANS FOR THE POLITICAL SYSTEM REMAIN LESS WELL-DEFINED THAN HIS ECONOMIC AGENDA. BUT HE AND HIS ALLIES HAVE SHOWN A GROWING CONVICTION THAT THE REVITALIZATION OF SOCIETY AND ECONOMY CAN SUCCEED ONLY IF THERE ARE SIGNIFICANT CHANGES IN THE POLITICAL ARENA AS WELL. THE REGIME APPEARS TO BE MOVING ON AT LEAST THREE FRONTS TO CREATE THE POLITICAL CLIMATE IT SEEKS:

- THE FIRST IS IDEOLOGY. GORBACHEV IS FRUSTRATED WITH THE STRAITJACKET OF INHERITED DOCTRINE THAT OPPONENTS OF CHANGE HAVE SOUGHT TO IMPOSE ON HIM. HE SEEKS TO EXPAND HIS ROOM TO MANEUVER BY AN INCREASINGLY OPEN ATTACK ON STAGNATION IN IDEOLOGY AND BY DEPICTING HIS OWN PROPOSALS AS AN EFFORT TO RETURN TO LENIN'S ORIGINAL INTENT.

- THE SECOND FRONT IS DEMOCRATIZATION. GORBACHEV'S CAMPAIGN FOR "DEMOCRATIZATION" IS DESIGNED TO REVITALIZE THE COUNTRY'S POLITICAL INSTITUTIONS. MOST OF THIS IS RHETORIC; THERE HAVE BEEN ONLY A FEW EXPERIMENTS ALONG THESE LINES, AND IN RECENT MONTHS EVEN GORBACHEV HAS BACKED AWAY FROM SOME OF THE MORE CONTROVERSIAL ASPECTS OF HIS "DEMOCRATIZATION" CAMPAIGN.

- THE THIRD FRONT IS GLASNOST, OR OPENNESS. I SEE SEVERAL MOTIVES BEHIND GLASNOST, NOT LEAST OF WHICH IS USE OF AN APPARENT LIBERALIZING FORCE TO ACHIEVE SOME RATHER OLD-FASHIONED OBJECTIVES.
- GLASNOST IS BEING USED TO CRITIZE OFFICIALS GORBACHEV SEES AS HOSTILE AND TO PRESSURE THEM TO GET WITH THE PROGRAM.
 - IT IS BEING USED TO HIGHLIGHT PROBLEMS HE WANTS TO ATTACK -- SUCH AS ALCOHOLISM AND DRUG ABUSE -- IN ORDER TO MOBILIZE SOCIETY BEHIND HIS CAMPAIGNS.
 - HE HOPES TO USE THE ATMOSPHERE OF GREATER OPENNESS TO COOPT INTELLECTUALS AND PARTICULARLY ENGINEERS AND SCIENTISTS TO BE FULL PARTNERS IN THE ATTEMPT TO MODERNIZE THE ECONOMY -- TO OVERCOME THEIR CYNICISM.
 - IT ENABLES THE REGIME TO COMPETE WITH FOREIGN AND OTHER UNOFFICIAL SOURCES OF INFORMATION. SINCE THE POPULATION WILL HEAR ABOUT RIOTING IN KAZAKHSTAN AND THE DISASTER AT CHERNOBYL ANYWAY, GORBACHEV BELIEVES IT IS BEST TO PRINT THE NEWS AND PUT AN OFFICIAL SPIN ON IT.

- FINALLY, HE INTENDS TO LEGITIMIZE BROADER DISCUSSION OF PROBLEMS AND POSSIBLE SOLUTIONS THAN PERMITTED HERETOFORE IN ORDER TO BREAK THE BACK OF DOMESTIC RESISTANCE AND INCREASE HIS ROOM FOR MANEUVER AT HOME. FURTHER, HE SEES THE EXPANSION OF POLITICAL DEBATE AS A NECESSARY STEP TO ACHIEVE HIS LONGER RANGE GOALS.

TO KEEP GLASNOST IN PERSPECTIVE, THERE HAS BEEN A MORE OPEN AIRING OF PROBLEMS, BUT ONLY A VERY LIMITED EXPANSION OF POLITICAL DEBATE. EVEN THIS HAS LED TO CONTROVERSY OVER THE POLICY ITSELF AND OPEN CRITICISM BY OTHERS IN THE POLITBURO THAT "OPENNESS" HAS GONE TOO FAR.

WHILE GORBACHEV'S BOLD POLITICAL MOVES AND RADICAL RHETORIC HAVE SHAKEN THE SOVIET SYSTEM, HE HAS NOT YET CHANGED IT. THE REGIME'S ACTUAL REFORM INITIATIVES HAVE SO FAR BEEN CAREFULLY CIRCUMSCRIBED TO INSURE THAT THEY DO NOT DEPART TOO BOLDLY FROM EXISTING APPROACHES. BUREAUCRATIC AS WELL AS POPULAR HOSTILITY IS LIKELY TO GROW AS DISRUPTION AND DISLOCATION BROUGHT ABOUT BY CHANGE RESULT IN ECONOMIC SETBACKS AND, IN ALL LIKELIHOOD, A WORSENING SITUATION FOR THE CONSUMER.

MODERNIZATION AND FOREIGN POLICY

THERE SEEMS TO BE GENERAL AGREEMENT IN THE POLITBURO THAT, FOR NOW, ECONOMIC MODERNIZATION REQUIRES A MORE PREDICTABLE, IF NOT BENIGN, INTERNATIONAL ENVIRONMENT. THE ELEMENTS OF FOREIGN POLICY THAT SPRING FROM DOMESTIC ECONOMIC WEAKNESS ARE A MIX OF NEW INITIATIVES AND LONGSTANDING POLICIES. FIRST, GORBACHEV WANTS TO ESTABLISH A NEW AND FAR-REACHING DETENTE FOR THE FORESEEABLE FUTURE TO OBTAIN TECHNOLOGY, INVESTMENT, TRADE AND, ABOVE ALL, TO AVOID MAJOR NEW MILITARY EXPENDITURES WHILE THE SOVIET ECONOMY IS REVIVED. GORBACHEV MUST SLOW OR STOP AMERICAN MILITARY MODERNIZATION, ESPECIALLY SDI, THAT THREATENS NOT ONLY SOVIET STRATEGIC GAINS OF THE LAST GENERATION BUT WHICH ALSO, IF CONTINUED, WILL FORCE THE USSR TO DEVOTE HUGE NEW RESOURCES TO THE MILITARY IN A HIGH TECHNOLOGY COMPETITION FOR WHICH THEY ARE ILL-EQUIPPED. THE SOVIETS KNOW THAT DETENTE IN THE EARLY 1970S CONTRIBUTED SIGNIFICANTLY TO DOWNWARD PRESSURE ON WESTERN DEFENSE BUDGETS, SLOWED MILITARY MODERNIZATION, WEAKENED RESOLVE TO COUNTER SOVIET ADVANCES IN THE THIRD WORLD, AND OPENED TO THE USSR NEW OPPORTUNITIES FOR WESTERN TECHNOLOGY AND ECONOMIC RELATIONS.

SECOND, A LESS VISIBLE BUT ENDURING ELEMENT OF FOREIGN POLICY -- EVEN UNDER GORBACHEV -- IS THE CONTINUING EXTRAORDINARY SCOPE AND SWEEP OF SOVIET MILITARY MODERNIZATION

AND WEAPONS RESEARCH AND DEVELOPMENT. DESPITE SOVIET RHETORIC, WE STILL SEE NO LESSENING OF THEIR WEAPONS PRODUCTION. AND, FURTHER, SOVIET RESEARCH ON NEW, EXOTIC WEAPONS SUCH AS LASERS, STEALTH, AND THEIR OWN VERSION OF SDI CONTINUES APACE. VIRTUALLY ALL OF THEIR PRINCIPAL STRATEGIC WEAPONS WILL BE REPLACED WITH NEW, MORE SOPHISTICATED SYSTEMS BY THE MID-1990S, AND A NEW STRATEGIC BOMBER IS BEING ADDED TO THEIR ARSENAL FOR THE FIRST TIME IN DECADES. THEIR DEFENSES AGAINST US WEAPONS ARE BEING STEADILY IMPROVED, AS ARE THEIR CAPABILITIES FOR WAR-FIGHTING. AS OUR DEFENSE BUDGET DECLINES AGAIN, THEIRS CONTINUES TO GROW, ALBEIT SLOWLY.

THE THIRD ELEMENT OF GORBACHEV'S FOREIGN POLICY IS CONTINUED AGGRESSIVE PURSUIT OF SOVIET OBJECTIVES AND PROTECTION OF SOVIET CLIENTS IN THE THIRD WORLD. UNDER GORBACHEV, THE SOVIETS AND CUBANS ARE NOW PROVIDING MORE THAN A BILLION DOLLARS A YEAR IN ECONOMIC AND MILITARY ASSISTANCE TO NICARAGUA; MORE THAN A BILLION DOLLARS WORTH OF MILITARY EQUIPMENT WAS SENT TO VIETNAM, LAOS AND CAMBODIA IN THE FIRST SIX MONTHS OF LAST YEAR; MORE THAN FOUR BILLION DOLLARS IN MILITARY EQUIPMENT HAS BEEN SENT TO ANGOLA SINCE 1984. AND, OF COURSE, CUBA GETS ABOUT FIVE BILLION DOLLARS IN SOVIET SUPPORT EACH YEAR. AT A TIME OF ECONOMIC STRESS AT HOME, THESE COMMITMENTS SPEAK CLEARLY ABOUT SOVIET PRIORITIES.

THE FOURTH ELEMENT OF GORBACHEV'S FOREIGN POLICY IS NEW AND DYNAMIC DIPLOMATIC INITIATIVES TO WEAKEN TIES BETWEEN THE US AND ITS WESTERN ALLIES, CHINA, JAPAN, AND THE THIRD WORLD; TO PORTRAY THE SOVIET GOVERNMENT AS COMMITTED TO ARMS CONTROL AND PEACE; AND TO CONVEY MOSCOW'S INTEREST IN DIPLOMATIC SOLUTIONS TO THIRD WORLD PROBLEMS. WE CAN AND SHOULD EXPECT NEW AND BOLDER INITIATIVES INCLUDING CONVENTIONAL FORCE REDUCTIONS -- POSSIBLY UNILATERAL -- THAT WILL SEVERELY TEST ALLIANCE COHESION. SIMILARLY, NEW INITIATIVES WITH CHINA AND JAPAN WILL BE ATTEMPTED TO OVERCOME BILATERAL OBSTACLES TO IMPROVED RELATIONS AND TO EXPLOIT PROBLEMS BETWEEN THEM AND THE US. AND, IN THE THIRD WORLD, THEY WILL SEEK TO TAKE ADVANTAGE OF ANY RELAXATION OF US VIGILANCE OR CONSTANCY.

THESE NEW INITIATIVES ALSO ARE INTENDED TO BREAK SOVIET FOREIGN POLICY OUT OF LONGSTANDING TACTICAL DEADENDS AND TO MAKE THE SOVIET UNION A MORE EFFECTIVE, FLEXIBLE AND VIGOROUS PLAYER THROUGHOUT THE WORLD. THE WITHDRAWAL FROM AFGHANISTAN IS SUCH AN INITIATIVE. THE RESULT OF GORBACHEV'S "NEW THINKING" IN FOREIGN POLICY IS LIKELY TO BE A SOVIET POLITICAL CHALLENGE TO THE US ABROAD THAT COULD POSE GREATER PROBLEMS FOR OUR INTERNATIONAL POSITION, ALLIANCES AND RELATIONSHIPS IN THE FUTURE THAN THE HERETOFORE ONE DIMENSIONAL SOVIET MILITARY CHALLENGE. CONSIDERABLE NEW THINKING, FLEXIBILITY AND POLITICAL AGILITY WILL BE NEEDED ON OUR OWN PART TO ANTICIPATE AND COUNTER SOVIET INITIATIVES AND TO AVOID BEING OUTMANEUVERED AND PLACED CONSISTENTLY ON THE DEFENSIVE.

THERE IS A NEW DYNAMIC AT WORK INSIDE THE SOVIET UNION AND IN SOVIET DIPLOMACY. WHILE ACTUAL CHANGES IN THE ECONOMY OR POLITICAL LIFE OF THE SOVIET UNION SO FAR HAVE BEEN MODEST, WHAT GORBACHEV ALREADY HAS SET IN MOTION REPRESENTS A POLITICAL EARTHQUAKE. ONE CANNOT, IT SEEMS TO ME, DISMISS WHAT HE IS SAYING OR ATTEMPTING AS SIMPLY NOISE OR MORE OF THE SAME, BETTER PACKAGED. HE IS PULLING ALL OF THE LEVERS OF CHANGE IN A SOCIETY AND CULTURE THAT HISTORICALLY HAS RESISTED CHANGE -- AND WHERE CHANGE USUALLY HAS BEEN VIOLENT AND WRENCHING. THE FORCES HE HAS UNLEASHED ARE POWERFUL BUT SO ARE THE PEOPLE AND INSTITUTIONS HE HAS ANTAGONIZED -- THUS SETTING IN MOTION A TREMENDOUS POWER STRUGGLE AND PURGE NO LESS DRAMATIC FOR THE ABSENCE OF SHOW TRIALS AND TERROR.

ENDURING CHARACTERISTICS OF SOVIET GOVERNANCE AT HOME AND POLICY ABROAD MAKE IT CLEAR THAT -- WHILE THE CHANGES UNDERWAY OFFER OPPORTUNITIES FOR THE UNITED STATES AND FOR A RELAXATION OF TENSIONS -- GORBACHEV INTENDS IMPROVED SOVIET ECONOMIC PERFORMANCE, GREATER POLITICAL VITALITY AT HOME, AND MORE DYNAMIC DIPLOMACY TO MAKE THE USSR A MORE COMPETITIVE AND STRONGER ADVERSARY IN THE YEARS AHEAD. AMERICANS MUST NOT MISLEAD OURSELVES OR ALLOW OURSELVES TO BE MISLED INTO BELIEVING OTHERWISE. PREVENTING THIS WILL BE THE SPECIAL RESPONSIBILITY OF THE INTELLIGENCE COMMUNITY.

IMPLICATIONS FOR INTELLIGENCE

WHAT ARE THE IMPLICATIONS OF ALL THESE CHALLENGES FOR INTELLIGENCE? THERE ARE SEVERAL. FIRST, POLICYMAKERS WILL BECOME MORE DEPENDENT ON OUR ASSESSMENTS AS THE ISSUES AFFECTING POLICY BECOME MORE COMPLEX, INTERRELATED, AND SOMETIMES -- AS IN THE SOVIET CASE -- OFTEN CONFUSING. THE TRANSNATIONAL ISSUES -- DEBT, NARCOTICS, NUCLEAR PROLIFERATION, STRATEGIC DEVELOPMENTS, THE INTERNATIONAL ARMS MARKET -- CALL FOR ECONOMIC AND TECHNICAL EXPERTISE AND AN UNDERSTANDING OF STRUCTURAL CHANGE IN WORLD ECONOMY. IN PROVIDING THE NECESSARY EXPERTISE, INTELLIGENCE WILL BECOME A MORE IMPORTANT PART OF THE POLICYMAKING PROCESS ITSELF.

CONCLUSION


OUR INFORMATION ACQUISITION CAPABILITY IS EXPONENTIALLY INCREASING. THE IMPACT TECHNOLOGICAL INNOVATION HAS HAD ON OUR ABILITY TO PROVIDE POLICYMAKERS WITH USEFUL, TIMELY INTELLIGENCE ON GLOBAL AND REGIONAL DEVELOPMENTS IS REMARKABLE. HOWEVER, IT IS CLEAR THAT WE WILL REQUIRE FURTHER TECHNOLOGICAL DEVELOPMENTS TO KEEP PACE WITH THE COMPLEXITIES OF TOMORROW'S WORLD. TECHNOLOGICAL CHANGE WILL DRIVE BOTH OUR ALLOCATION OF RESOURCES AND OUR COLLECTION EFFORTS. AND, SOMEHOW, WE MUST FIND THE RESOURCES FOR INVESTMENT IN FUTURE

CAPABILITIES. REMARKABLE NEW COLLECTION CAPABILITIES COMING ON LINE ARE THE RESULT OF INVESTMENTS BEGUN 5-10 YEARS AGO. WITHOUT SIMILAR NEW INVESTMENTS IN THE NEAR TERM, WE FACE A BLEAK FUTURE. SO IT IS INDEED ESPECIALLY IMPORTANT THAT YOU IN SASA ARE HERE TODAY TO HELP US ANTICIPATE AND PREPARE FOR A RAPIDLY APPROACHING FUTURE BY EXPLORING AND ADDRESSING THE SHORTFALLS OF THE 1990S.

EXECUTIVE SECRETARIAT

ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI	X			
3	EXDIR				
4	D/ICS				
5	DDI				
6	DDA				
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/OCA				
14	D/PAO				
15	D/PERS				
16	D/Ex Staff				
17					
18					
19					
20			X		
21					
22					
		SUSPENSE _____ Date _____			

Remarks

STAT

 Executive Secretary

3 May 88
Date

3637 (10-81)



Executive Registry

88-0545x/3

PRESIDENT

John N. McMahon
Lockheed Corp.

EXECUTIVE

VICE PRESIDENT

John E. Morrison, Jr.
The MVM Group, Inc.

SECRETARY/TREASURER

William H. Parsons

GENERAL COUNSEL

Daniel B. Silver, Esq.
Cleary, Gottlieb, Steen & Hamilton

BOARD OF DIRECTORS

CHAIRMAN

Mercade A. Cramer
Vitro Corp.

MEMBERS

Craig Alderman, Jr.
Dep. Under Sec. Defense (P)

Lawrence F. Ayers
Defense Mapping Agency

Dr. James H. Babcock
The MITRE Corporation

James O. Bush
Planning Research Corp.

George R. Cotter
National Security Agency

Dr. Roger K. Engel
U.T. Norden Systems, Inc.

Charles A. Hawkins
Dep. Asst. Sec. Defense (I)

Lt. Gen. Edward J. Heinz, USAF
Intelligence Community Staff

Jimmie D. Hill
Dep. Under Sec. Air Force

R. Evans Hineman
Central Intelligence Agency

Anthony J. Iorillo
Hughes Aircraft Co.

Donald B. Jacobs
Boeing Aerospace Co.

Robert J. Kohler
ENL, Inc.

Maj. Gen. John E. Kulpa, USAF (Ret.)
Eaton Corp.

Frank J. Lewis
Harris Corp.

Gordon O. Moe
Pacific Sierra Research Corp.

Gordon E. Myers
IBM

Dr. Vai P. Peline
Lockheed Electronic Systems Gp.

Lt. Gen. Leonard H. Perroots, USAF
Defense Intelligence Agency

26 April 1988

The Honorable Robert M. Gates
Deputy Director, Central Intelligence
Washington, D.C. 20505

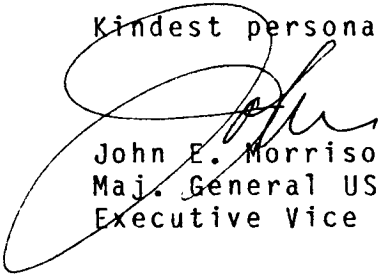
Dear Bob:

The SASA Spring'88 Symposium is now but a memory--but
what a memory!

Within hours after the program was concluded, we
received numerous phone calls and a day or two later, many
letters, all extolling the quality of the affair. We, of
course, expected nothing less and are exceedingly pleased
that our expectations have been enthusiastically con-
firmed.

For your outstanding contribution to the successful
outcome of the Spring program, SASA will be long indebted.

Kindest personal regards,


John E. Morrison, Jr.
Maj. General USAF (Ret.)
Executive Vice President

P.S. If agreeable to you, would you please have someone
provide me with your four "homilies"(?) allegedly found in
John McMahon's desk. We've received a number of requests
for them and if you have no objection, I may include them
in our next newsletter (non-attribution if you wish).

DCI
EXEC
REG

P-310-11

PAO 88-0137

Distribution:
 25X1 Orig. - DDC [redacted]
 1 - ER [redacted]
 25X1 1 - [redacted]
 1 - PAO Registry
 1 - D/PAO
 25X1 1 - [redacted]
 1 - PAO Ames
 1 - PAO Chrono
 1 - MED(Subject)
 1 - Jean
 1 - DCI Security

15 April 1988

Deputy Director of Central Intelligence

FROM: William M. Baker
 Director, Public Affairs Office

SUBJECT: Arrangements for your Address of the
 Security Affairs Support Association

1. This is background information for your remarks to the Security Affairs Support Association (SASA) Spring '88 Symposium on Saturday, 16 April 9:00 - 9:35 a.m. at our Headquarters Auditorium.

2. Arrangements: Evan Hineman will meet you in your office at 8:50 a.m. and escort you to the auditorium. President of SASA John McMahon will give opening remarks at 9:00 a.m. Your address on "The Intelligence Environment of the '90's" is scheduled to begin at 9:05 a.m. and John McMahon will introduce you. The suggested format is 25 minutes of remarks and a question and answer period is not scheduled. Your participation in the program is over at 9:30 a.m., but you are invited to attend any of the following sessions. (For complete agenda see opposite.) Auditorium technicians will tape your remarks for the Agency's historical records. An Agency photographer will be taking photographs.

Approximately 400 attendees including senior and middle management executives from the aerospace and electronics industries who are involved in classified programs for the Intelligence Community will attend. Companies such as Cray Research, Hughes Aircraft, Lockheed, and Boeing will be represented. (See list of companies opposite.) Senior government officials from the Intelligence Community will make up about 10 percent of the audience. (See guest list opposite.) All attendees have TS/SI/TK clearances.

3. About SASA: The mission of SASA is to "enhance the relationships and understanding among those in government, industry and academe who are involved in and concerned with the well-being and success of the national intelligence endeavor." Founded in 1979 and chartered as a professional association by the State of Maryland, SASA highlights issues of interest to government and industry alike in their programs. You addressed the SASA group at their West Coast Symposium on "Software Trends in the Intelligence Community" in



CONFIDENTIAL

P-310-11

November 1984 at Moffett Naval Air Station and last May you introduced Richard Helms when he received the "William Oliver Baker Award" at the SASA spring banquet.

Other speakers at the Symposium are Vice Admiral Jerry O. Tuttle, USN Director for C³ Systems, Mr. Barry Kelly Special Assistant to the President for National Security Affairs, John McMahon, and Jim Hirsch. (For complete list of speakers see agenda opposite.)

William M. Baker

CONFIDENTIAL

DATE

TRANSMITTAL SLIP

TO:

PA 88-0137

ROOM NO.

BUILDING

REMARKS:

Letter to ER

Attachment for
Security Affairs
Support Assistant.

FROM:

ROOM NO.

BUILDING

EXTENSION

FORM NO.

1 FEB 66 241

REPLACES FORM 36-8

WHICH MAY BE USED

(47)



Executive Registry

88-0545x/2

1 April 1988

PRESIDENT

John N. McMahon
Lockheed Corp.

EXECUTIVE

VICE PRESIDENT
John E. Morrison, Jr.
The MVM Group, Inc.SECRETARY/TREASURER
William H. Parsons

GENERAL COUNSEL

Daniel B. Silver, Esq.
Cleary, Gottlieb, Steen & Hamilton

The Honorable Robert M. Gates
Deputy Director, Central Intelligence
Central Intelligence Agency
Washington, D.C. 20505

Dear Bob:

As promised, here is the "almost final" draft of the Spring '88 Symposium Program. It should be a splendid event with beneficial outcomes for government and those elements of industry "concerned with the well-being and success of the national intelligence endeavor".

You should note that there has been some "modulation" of the time frames during which presentations had been previously scheduled. This invariably is the case before such programs are finalized.

We plan to provide our printer with this draft and other material including biographical sketches and portraits of the speakers by COB, Tuesday, 5 April. Should you wish changes in topics, titles, etc., please advise us as soon as possible. There will still be time to make minor changes if we receive them by phone by noon, Friday, 7 April 1988.

Again, many, many thanks for your willingness to participate. We look forward to seeing you at Langley.

All the best.

Kindest personal regards,

John E. Morrison, Jr.
John E. Morrison, Jr.
Maj. General USAF (Ret.)
Executive Vice President

Encl.



80 West Street • Suite 110 • Annapolis, Maryland 21401 • (301) 269-5424

P R O G R A M

SATURDAY, 16 APRIL 1988

0730-0900	Registration
0900-0905	Welcoming Remarks The Honorable John N. McMahon President, SASA
0905-0935	"THE INTELLIGENCE ENVIRONMENT OF THE '90's" The Honorable Robert M. Gates Deputy Director, Central Intelligence
0935-1030	"SUPPORT TO THE MILITARY COMMANDER, 1995" Vice Admiral Jerry O. Tuttle, USN Director for C ³ Systems, OJCS
1030-1050	Break
1050-1130	"SUPPORT TO THE POLICY MAKER, 1995" Mr. Barry Kelly Special Assistant to the President for National Security Affairs
1130-1140	"PLANNING RESPONSE TO INTELLIGENCE NEEDS" The Honorable John N. McMahon President, SASA
1140-1225 STAT	"IMAGERY COLLECTION" <div style="border: 1px solid black; height: 1.2em; width: 250px; margin: 5px 0;"></div> Deputy Director, Office of Development & Engineering, CIA
1225-1340	Lunch
1340-1425 STAT	"SIGINT COLLECTION" <div style="border: 1px solid black; height: 1.2em; width: 250px; margin: 5px 0;"></div> Chief, High Frequency Systems, ODDR&E, NSA
1425-1510 STAT	"IMPACTS ON DATA PROCESSING" <div style="border: 1px solid black; height: 1.2em; width: 250px; margin: 5px 0;"></div> Deputy Director, Telecommunications & Computer Services, NSA
1510-1530	Break
1530-1700	"EMERGING TECHNOLOGIES, A FORECAST" Dr. Craig I. Fields Deputy Director for Research Defense Advanced Research Projects Agency Dr. Stephen J. Lukasik Vice President, Technology, Northrop Corporation Vice President and Manager, Northrop Research and Technology Center
1700-1930	Reception

P R O G R A M

SUNDAY, 17 APRIL 1988

0730-0900

Registration

0900-0945

"THE NEED FOR INTEGRATED ARCHITECTURES"
The Honorable Donald C. Latham
Vice President, Computer Sciences Corporation

0945-1030

"NEAR REAL TIME SYSTEMS; ARCHITECTURE/TECHNOLOGY"
Mr. James V. Hirsch
Associate Deputy Director, Science & Technology,
CIA

1030-1050

Break

1050-1130

"DISTRIBUTED ARCHITECTURES"

STAT

Chief, Plans and Project Development, NSA

1130-1215

"NATIONAL-TACTICAL; ARCHITECTURES/TECHNOLOGY"
Rear Admiral James S. McFarland USN
Commander, Naval Security Group Command

STAT

Assistant Deputy Director, Operations
(Military Support), NSA

1215-1230

Closing Remarks
The Honorable John N. McMahon
President, SASA

TECHNOLOGY SHORTFALLS IN INTELLIGENCE ARCHITECTURES

SASA is pleased to note the attendance of individuals
from the following organizations

AAI Corporation
Aegis Research Corporation
Aery Systems
American Systems Corporation
Ampex Corporation
Analytics, Inc.
Andrew Corporation
Argo Systems, Inc.
Autometric
Ball Aerospace Systems Group
BBN Communications Corporation
BDM International, Inc.
BETAC Corporation
Boeing Aerospace Company
Booz, Allen & Hamilton, Inc.
BTG, Inc.
California Microwave, Inc.
Central Intelligence Agency
COMPUDYNE Corporation
Computer Sciences Corporation
CONTEL Federal Systems, Inc.
Control Data Corporation
Corporation for Open Systems
Cray Research, Inc.
Dalmo Victor/Singer
Datatape, Incorporated
DBA Systems, Inc.
Defense Advanced Research Projects Agency
Defense Security Institute
DGM&S, Inc.
Digital Equipment Corporation
E-Systems, Inc.
Eastman Kodak Company
Eaton Corporation
Electronic Warfare Systems Group/Litton
Electrospace Systems, Inc.
ESL, Inc.
Fairchild Communications & Electronics Company
Ford Aerospace and Communications Corporation
General Dynamics Electronics Division
General Electric Company
Gould, Inc. Computer Systems Division
GTE Government Systems Corporation
Harris Corporation
HRB-Singer, Inc.
Hughes Aircraft Company
IBM Corporation
Intelligence Community Staff

Interac Resource, Inc.
Intergraph Corporation
ITT Defense Communications Division
Litton Itek Optical Systems
Lockheed California Company
Lockheed Electronics Company
Lockheed Missiles and Space Company, Inc.
Logicon, Inc.
Loral Defense Systems
Loral Electronic Systems
Loral Systems Group
Martin Marietta Space Systems Company
Maxim Technologies, Inc.
McDonnell Douglas Astronautics Company
McDonnell Douglas-Inco, Inc.
Mirage Systems
MK-Ferguson Company
Motorola Incorporated
MRJ, Inc.
MSI
National Security Agency
National Security Council
Naval Intelligence Command
Northrop Corporation
Office of the Deputy Under Secretary of Defense (P)
Office of the Joint Chiefs of Staff
Office of the Under Secretary of the Air Force
ORI/Intercon Systems Corporation
Pacific-Sierra Research Corporation
PAR Technology
Perkin Elmer Corporation
Physical Dynamics
PRC Government Information Systems
Processing Research, Inc.
PSC/Gould, Inc.
Quality Systems, Inc.
Quest Research Corporation
RCA
RQIM MIL-SPEC Computers
Sanders Associates, Inc.
Science Applications International Corporation
Scientific Communications, Inc.
Space Applications Corporation
Strategic Planning & Development, Inc.
System Engineering Development Corporation
Technology for Communications International
The Mitre Corporation
The MVM Group, Inc.
Tracor, Inc.
TRW
Ultrasystems Defense and Space, Inc.
Unisys Defense Systems
United Technologies Corporation
United Technologies Norden Systems, Inc.

United States Special Operations Command
Venable, Baetjer and Howard
Vitro Corporation
Wackenhut Advanced Technologies Corporation
Watkins-Johnson Company
Xerox Corporation

ATTENDEES - SASA

16-17 Apr 88

Page Denied

Next 10 Page(s) In Document Denied

OFFICE OF THE DEPUTY DIRECTOR

Please
Process

— O/PAO

— DDST

— DDCT

ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI		X		
3	EXDIR				
4	D/ICS				
5	DDI				
6	DDA				
7	DDO				
8	DDS&T		X		
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/OCA				
14	D/PAO		X		
15	D/PERS				
16	D/Ex Staff				
17					
18					
19					
20					
21					
22			X		
		Date			

ER
SUSPENSE

Remarks

STAT

Executive Secretary

6 Apr '88

Date

3637 (10-81)



Executive Registry

88-0545x/2

1 April 1988

PRESIDENT

John N. McMahon
Lockheed Corp.

EXECUTIVE

VICE PRESIDENT

John E. Morrison, Jr.
The MVM Group, Inc.

SECRETARY/TREASURER

William H. Parsons

GENERAL COUNSEL

Daniel B. Silver, Esq.
Cleary, Gottlieb, Steen & Hamilton

The Honorable Robert M. Gates
Deputy Director, Central Intelligence
Central Intelligence Agency
Washington, D.C. 20505

Dear Bob:

As promised, here is the "almost final" draft of the Spring'88 Symposium Program. It should be a splendid event with beneficial outcomes for government and those elements of industry "concerned with the well-being and success of the national intelligence endeavor".

You should note that there has been some "modulation" of the time frames during which presentations had been previously scheduled. This invariably is the case before such programs are finalized.

We plan to provide our printer with this draft and other material including biographical sketches and portraits of the speakers by COB, Tuesday, 5 April. Should you wish changes in topics, titles, etc., please advise us as soon as possible. There will still be time to make minor changes if we receive them by phone by noon, Friday, 7 April 1988.

Again, many, many thanks for your willingness to participate. We look forward to seeing you at Langley.

All the best.

Kindest personal regards,


John E. Morrison, Jr.
Maj. General USAF (Ret.)
Executive Vice President

001
EOG
REG

Encl.

BOARD OF DIRECTORS

CHAIRMAN

Mercade A. Cramer
Vitro Corp.

MEMBERS

Craig Alderman, Jr.
Dep. Under Sec. Defense (P)

Lawrence F. Ayers
Defense Mapping Agency

Dr. James H. Babcock
The MITRE Corporation

James O. Bush
Planning Research Corp.

George R. Cotter
National Security Agency

Dr. Roger K. Engel
U.T. Norden Systems, Inc.

Charles A. Hawkins
Dep. Asst. Sec. Defense (I)

Lt. Gen. Edward J. Heinz, USAF
Intelligence Community Staff

Jimmie D. Hill
Dep. Under Sec. Air Force

R. Evans Hineman
Central Intelligence Agency

Anthony J. Iorillo
Hughes Aircraft Co.

Donald B. Jacobs
Boeing Aerospace Co.

Robert J. Kohler
ESL, Inc.

Maj. Gen. John E. Kulpa, USAF (Ret.)
Eaton Corp.

Frank J. Lewis
Harris Corp.

Gordon O. Moe
Pacific Sierra Research Corp.

Gordon E. Myers
IBM

Dr. Val P. Peline
Lockheed Electronic Systems Gp.

Lt. Gen. Leonard H. Perroto, USAF
Defense Intelligence Agency

P-310-11

P R O G R A M

SATURDAY, 16 APRIL 1988

0730-0900	Registration
0900-0905	Welcoming Remarks The Honorable John N. McMahon President, SASA
0905-0935	"THE INTELLIGENCE ENVIRONMENT OF THE '90's" The Honorable Robert M. Gates Deputy Director, Central Intelligence
0935-1030	"SUPPORT TO THE MILITARY COMMANDER, 1995" Vice Admiral Jerry O. Tuttle, USN Director for C ³ Systems, OJCS
1030-1050	Break
1050-1130	"SUPPORT TO THE POLICY MAKER, 1995" Mr. Barry Kelly Special Assistant to the President for National Security Affairs.
1130-1140	"PLANNING RESPONSE TO INTELLIGENCE NEEDS" The Honorable John N. McMahon President, SASA
STAT 1140-1225	"IMAGERY COLLECTION" <div style="border: 1px solid black; height: 1.2em; width: 250px; margin: 5px 0;"></div> Deputy Director, Office of Development & Engineering, CIA
1225-1340	Lunch
STAT 1340-1425	"SIGINT COLLECTION" <div style="border: 1px solid black; height: 1.2em; width: 280px; margin: 5px 0;"></div> Chief, High Frequency Systems, ODDR&E, NSA
STAT 1425-1510	"IMPACTS ON DATA PROCESSING" <div style="border: 1px solid black; height: 1.2em; width: 250px; margin: 5px 0;"></div> Deputy Director, Telecommunications & Computer Services, NSA
1510-1530	Break
1530-1700	"EMERGING TECHNOLOGIES, A FORECAST" Dr. Craig I. Fields Deputy Director for Research Defense Advanced Research Projects Agency Dr. Stephen J. Lukasik Vice President, Technology, Northrop Corporation Vice President and Manager, Northrop Research and Technology Center
1700-1930	Reception

P R O G R A M

SUNDAY, 17 APRIL 1988

0730-0900	Registration
0900-0945	"THE NEED FOR INTEGRATED ARCHITECTURES" The Honorable Donald C. Latham Vice President, Computer Sciences Corporation
0945-1030	"NEAR REAL TIME SYSTEMS; ARCHITECTURE/TECHNOLOGY" Mr. James V. Hirsch Associate Deputy Director, Science & Technology, CIA
1030-1050	Break
1050-1130	"DISTRIBUTED ARCHITECTURES" <div data-bbox="609 867 1008 903" style="border: 1px solid black; height: 17px; width: 246px; margin: 5px 0;"></div> Chief, Plans and Project Development, NSA
1130-1215	"NATIONAL-TACTICAL; ARCHITECTURES/TECHNOLOGY" Rear Admiral James S. McFarland USN Commander, Naval Security Group Command <div data-bbox="596 1062 1183 1106" style="border: 1px solid black; height: 21px; width: 362px; margin: 5px 0;"></div> Assistant Deputy Director, Operations (Military Support), NSA
1215-1230	Closing Remarks The Honorable John N. McMahon President, SASA

STAT

STAT

2